

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

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In re: PROMESA
Title III

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of No. 17 BK 3283-LTS

THE COMMONWEALTH OF PUERTO RICO, *et al.* (Jointly Administered)

Debtors.¹

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**INFORMATIVE MOTION REGARDING CONCLUSION OF ENGAGEMENT OF
GORDON BROTHERS GROUP, LLC, AS CO-FINANCIAL ADVISOR FOR
THE MEDIATION TEAM**

To the Honorable United States District Court Judge:

The Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”), as the representative of the Debtors pursuant to section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* (“PROMESA”),² respectfully submits this motion to inform the Court that the *pro bono* employment of Gordon Brothers Group, LLC (“Gordon Brothers”) as co-financial advisor for the mediation team appointed in the Title III Cases and related proceedings (the “Mediation Team”) will conclude, effective August 30, 2019.

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (the “Commonwealth”) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority (“PREPA”, and together with the Commonwealth, COFINA, HTA, ERS, and PREPA, the “Debtors”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of PREPA’s Federal Tax ID: 3747). (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations). The Debtors’ cases under Title III of PROMESA are referred to herein as the “Title III Cases.”

² PROMESA is codified at 48 U.S.C. §§ 2101-2241.

1. On June 23, 2017, the Court entered an order appointing the Mediation Team to facilitate confidential settlement negotiations of any and all issues and proceedings arising in the Title III Cases and related proceedings [ECF No. 430].

2. On August 4, 2017, after receiving various proposals and interviewing various firms, the Mediation Team selected Phoenix Management Services, LLC (“Phoenix”) as its financial advisor.

3. On August 21, 2017, the Court entered an order [ECF No. 1100] authorizing the employment and payment of Phoenix as financial advisor to the Mediation Team. Phoenix has since served, and continues to serve, in that role.

4. On May 16, 2019, the Oversight Board filed the Application of Oversight Board for Entry of Order Authorizing the Employment and Payment of Expenses of Gordon Brothers Group, LLC as Co-Financial Advisor to the Mediation Team [ECF No. 6993] (the “Gordon Brothers Application”). On May 23, 2019, the Court entered an order [ECF No. 7085] (the “Gordon Brothers Order”) granting the Gordon Brothers Application, effective *nunc pro tunc* to May 1, 2019.

5. As described in the Gordon Brothers Application, the Mediation Team’s retention of Gordon Brothers contemplated work—on an as needed, *pro bono* basis—by only one Gordon Brothers professional, Martha E. M. Kopacz. Ms. Kopacz had previously occupied a leadership role on the Phoenix team advising the Mediation Team but had concluded her employment with Phoenix and commenced employment at Gordon Brothers. No other Gordon Brothers professionals were to work on the engagement.

6. Ms. Kopacz recently informed the Mediation Team and the Oversight Board that her employment at Gordon Brothers will conclude effective August 30, 2019. As a result, the

Mediation Team will be terminating its engagement of Gordon Brothers with the same effective date. Thereafter, neither Gordon Brothers nor Ms. Kopacz will be engaged by the Mediation Team and parties' communications with her will not be subject to mediation confidentiality.

7. Pursuant to the Gordon Brothers Order, Gordon Brothers was engaged by the Mediation Team on a *pro bono* basis, other than as to actual and necessary expenses, for which it was entitled to reimbursement. The Mediation Team and the Oversight Board understand that Gordon Brothers incurred no expenses during its engagement by the Mediation Team and will therefore not be filing any application for allowance or payment of expenses.

8. For the avoidance of doubt, Phoenix—and its lead professional on the matter, Brian Gleason—will continue to serve as the Mediation Team's financial advisor in the Title III Cases and related proceedings.

Dated: August 29, 2019
San Juan, Puerto Rico

Respectfully submitted,

/s/ Martin J. Bienenstock

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CERTIFICATE OF SERVICE

I hereby certify that, on this same date, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system, which will send notifications of such filing to all CM/ECF participants in this case.

/s/ Hermann D. Bauer

Hermann D. Bauer